

**SETTLEMENT AGREEMENT
ADMINISTRATIVE CIVIL LIABILITY
COMPLAINT NO. R4-2009-0051**

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This Settlement Agreement ("Agreement") is made and entered into by Donald and Nancy Haase (collectively, "The Haases") and the Prosecution Team of the California Regional Water Quality Control Board, Los Angeles Region ("Regional Board") (collectively, the "Parties") with reference to the following facts:

RECITALS:

- A. The Haases own and operate a commercial irrigated farming operation (Assessor Parcel Number 043-0-010-020) in Fillmore, California. The parcel, which contains a citrus orchard, is subject to the Regional Board's Conditional Waiver of Waste Discharge Requirements for Discharges from Irrigated Lands within the Los Angeles Region, Order No. R4-2005-0080 ("Conditional Waiver").
- B. On May 5, 2009, the Chief Deputy Executive Officer issued Administrative Civil Liability Complaint No. R4-2009-0051 to The Haases.
- C. The Complaint alleges that The Haases violated California Water Code section 13260 by failing to submit a Notice of Intent to comply with the Regional Board's Conditional Waiver or, alternatively, by failing to submit a report of waste discharge for an individual waste discharge permit, despite at least two requests by the Regional Board. The Complaint proposed to assess an administrative civil liability of \$3,759 against The Haases for these violations.
- D. In addition to seeking civil liability, the intent of the Complaint was to encourage compliance with the Conditional Waiver. Accordingly, the Complaint sought higher penalties if The Haases did not enroll under the Condition Waiver within 30 days from the date of the Complaint.
- E. In response to the Complaint, The Haases enrolled in the Conditional Waiver on May 26, 2009 by joining the Ventura County Agriculture Irrigated Lands Group (VCAILG), which is a Regional Board approved Discharger Group.
- F. Subsequent to the issuance of the Complaint, the Parties entered into settlement negotiations because of a desire to resolve this matter and settle the allegations described herein without a formal hearing. At that time, Donald Haase informed the Prosecution Team that he thought he had enrolled with VCAILG prior to issuance of the Complaint. However, although VCAILG records indicate that Donald Haase did complete 4 hours of education in November 2007, enrollment in VCAILG was not complete until May 26, 2009.

- G. The Parties have reached this settlement for the violations alleged in the Complaint. The terms of the settlement are that The Haases will pay \$3,000 in civil liability, payable in three monthly payments of \$1,000 each month over a period of three consecutive months, to resolve the allegations in the Complaint. In order to facilitate the approval of the proposed settlement, and to carry out its terms, this proposed settlement includes the issuance of an Administrative Civil Liability Stipulated Order ("Stipulated Order").
- H. This proposed settlement is subject to public comment and approval by the Regional Board.

NOW, THEREFORE, the Parties agree as follows:

1. The Haases waive their right to a hearing before the Regional Board to dispute the allegations of violations described in the Complaint.
2. In settlement of the violations alleged in the Complaint, The Haases agree to pay administrative civil liability in the amount of \$3,000 by check that references "ACL Complaint No. R4-2009-0051" (made payable to the "State Water Pollution Cleanup and Abatement Account") in three monthly payments of \$1,000 each month over a period of three consecutive months. Payments must be mailed directly to the Regional Board. The schedule of payment is as follows:

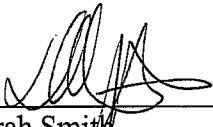
Payment	Amount Due	Due Date
1st	\$1,000	April 1, 2010
2nd	\$1,000	May 1, 2010
3rd	\$1,000	June 1, 2010

3. The Haases understand that the full \$3,000 liability is due and payable immediately, but that the Haases will be allowed to pay it in partial payments, without initiation of collection proceedings. The Haases further understand that it must make each partial payment thereon as and when it is due in order to avoid immediate collection of the full amount.
4. The Haases promise and agree that they will not contest or otherwise challenge this Agreement before the Regional Board, the State Water Resources Control Board, or any court. The Prosecution Team likewise promises and agrees that it will not contest or otherwise challenge this Agreement before the Regional Board, the State Water Resources Control Board, or any court, provided that it does not exercise its authority to declare this Agreement to be null and void as the result of public comment, as specifically detailed below.
5. Within 7 days of execution of this Agreement by The Haases and the Prosecution Team, the Prosecution Team will post this Agreement on the Regional Board's website for the purpose of accepting public comments on this Agreement for a period of at least 30 days. If the Prosecution Team receives significant new information that reasonably affects the propriety of entering into this Agreement, the Prosecution Team may unilaterally declare this Agreement null and void. Otherwise, within 7 days of the close of the public comment period, the Prosecution Team will present this Agreement and Stipulated Order on Complaint No. R4-2009-0051 to the Executive Officer for the Regional Board's approval. The Stipulated Order shall become effective immediately upon the Executive Officer's signature.

6. In the event that this Agreement does not take effect, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing for the Regional Board to determine whether to assess administrative civil liabilities for the underlying alleged violations in the Complaints.
7. Each person executing this Agreement in a representative capacity represents and warrants that he or she is authorized to execute this Agreement on behalf of and to bind the person or entity on whose behalf he or she executes this Agreement.
8. The Haases understand that this settlement is not a substitute for compliance with applicable laws and that continuing violations of the type alleged in the Complaint may subject The Haases to further enforcement, including additional civil liability.

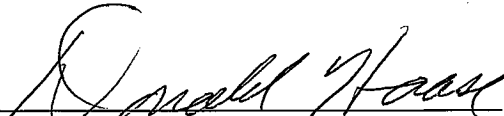
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

FOR THE REGIONAL BOARD PROSECUTION TEAM:


By: 
Deborah Smith
Chief Deputy Executive Officer

Date: 3-17-10

FOR THE HAASES:

By: 
Donald Haase

2-27-2010
Date

By: 
Nancy Haase

2-27-2010
Date